



Alternative Livelihoods Update

April 2006 • Issue 11

BOOSTING BUSINESS OPPORTUNITIES IN THE EASTERN REGION

Businesses in eastern Afghanistan face tremendous challenges, including poor transportation, nascent communication services, security problems, a dearth of cheap electricity and lack of infrastructure. With emerging imports and traditional access to buyers' markets in the neighboring countries, the eastern region is offering immediate opportunities for investment and local production. Entrepreneurs in new and expanding markets in the region can benefit from start-up advantages in many sectors, with relatively small investments promising high yields in the short and medium term.

The Alternative Livelihoods' Private Sector Development Unit is working closely with the local government, national and international communities to create economic opportunities and develop a private sector that drives the region's economic growth. Consequently, the first ever Eastern Region Business Development Centre was established in Jalalabad, to promote business enterprises, effective services, and support efforts to create a more favorable trade environment.

During the formal inauguration, the Governor of Nangarhar, Mr. Gul Agha Sherzai stated, *"I commend USAID's efforts in promoting and facilitating alternative livelihoods including business development which in turn creates tremendous employment and economic opportunities to the people of the eastern region."*

There are approximately 5,400 registered businesses in Nangarhar, 300 in Kunar, and 200 small and large micro-enterprises in Laghman province. The Business Development Center offers the following services to stimulate the growth of businesses in the region:

- Information and communication services, including low-cost access to international phone services
- Market research and feasibility studies
- Business assessments and counseling services
- Marketing support and trade facilitation
- Training and networking opportunities
- Financial advisory services
- Assistance with business registration and licensing



PHOTO: USAID/ALPIE

Representatives train farmers in crop sorting techniques in eastern Afghanistan.

Other ongoing activities include:

Agriculture Marketing and Production. Approximately 100 farmers from Laghman, 340 from Nangarhar, and 135 from Kunar received training in post-harvest handling techniques. The training focused on grading, packaging, storage and marketing to improve their business opportunities. USAID conducted similar training sessions for wholesalers in Jalalabad and district assemblers in the eastern region.

Regional Market Information System. The Alternative Livelihoods Program in the east is developing quality standards for fruits, vegetables and meats using common wholesale and retail marketing measures and compiling the data in a new information system for farmers and businesspeople. Data collection has begun in Nangarhar and will extend to Kunar and Laghman soon through assistance from Nangarhar University. The market information system should be fully operational in three provinces by June 2006.

Orchard Development. Activities continue on orchard design, distribution of seeds, planting and beneficiary selection across the eastern region. Ongoing technical assistance to farmers includes training in irrigation, pruning, branch training, weeding, and pest control. Pest control is particularly relevant due to the increased risk of aphid infestation in the spring. Meanwhile a survey was completed in 11 districts in Nangarhar and Laghman provinces to provide a tool for monitoring, evaluation, and market development.



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Alternative Livelihoods Program Making Progress in Afghanistan:

- Over **6,200 km of irrigation canals** have been rehabilitated affecting **290,000 hectares** of land. Irrigation is critical to produce high-value agriculture, such as grapes, which unlike poppy production does not require irrigation.
- In Nangarhar and Laghman, **1,500 hectares of commercial orchards** have been planted and another 1,500 will be planted next year. Once fully developed, these orchards will produce high value fruits and nuts increasing exports and the income potential for 5,000 farmers. About 2,800 farmers received training to improve crop production in November.
- This Spring, USAID is distributing **seeds and fertilizer to more than 112,400 farmers** in the eastern, southern, and northern regions.
- In Fall 2005, USAID distributed **40,000 metric tons of fertilizer** and **14,000 metric tons of wheat and vegetable seed** to **550,000 farmers in all 34 provinces**. This effort successfully reached 97% of its target beneficiaries and included anti-poppy messages.
- Rapid implementation of the cash for work program generated over **4.6 million work days of paid labor** and resulted in **over \$16 million in wages paid to over 182,000 farmers**.
- Over **4,000 women in 13 districts benefited from household income generating activities** in Nangarhar province. Projects focus on handicrafts, embroidery, tailoring, small-scale agricultural processing and training to develop agricultural skills.

Women Lead in Business Startups



PHOTO: USAID/AFGHANISTAN

A USAID training recipient sells cheese from her house.

USAID's Alternative Livelihoods Program has increased economic opportunities for women in the eastern region. A micro-enterprise development project employs a wide range of strategies to help poor women overcome obstacles to success.

This program targets 4,000 women--2,500 in Nangarhar, 1,000 in Laghman, and 500 in Kunar. As a result, 400 women-owned businesses are being established. The program supports these women entrepreneurs by offering additional training, linking them to financing opportunities, and creating the necessary infrastructure to access markets.

Business and vocational trainings are delivered through self help groups. These groups evolve into associations that help the women market their products and provide support for new business endeavors. In Nangarhar, 1,350 women completed business training. Currently, 500 women in Laghman and 300 women in Kunar are receiving vocational trainings.

One of the recipients, a mother of five in her early forties, is from Kuz Kunar District of Nangarhar province. After participating, she stated, *"I learned how to sell and market my products during USAID training so I now sell my cheese in the neighborhood and the nearest market."*

She had previously assisted her husband in poppy production before starting her new business at home, adding, *"The skill of cheese making has helped me and my family to stand on our own feet and depend on poppy cultivation no more."*

Invariably, each woman who participates in training has her own ideas for a business ranging from raising livestock, to tailoring, to establishing women-only stores for clothing and materials. With continued assistance and support, these ideas will soon come to fruition.